

1 (a) whether the Bharat Petroleum Corporation Limited had decided to set up a Petro-Chemicals Complex in Tamil Nadu;

V (b) if so, the details thereof including the amount of investment involved therein;

(c) whether the financial viability of the project and marketability of its products has been examined; and

(d) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI JANESHWAR MISHRA) : (a) to (d) BPCL is exploring the possibility of setting up of a petro-chemical complex at a location in coastal Tamil Nadu through a joint venture company. Details regarding capital investment, commercial and financial viability, etc. would be known only after finalisation of DFR.

[Translation]

Withdrawal of subsidy on Petroleum Products

815. **SHRI VIRENDRA KUMAR SINGH** : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government propose to withdraw subsidy on petroleum products and natural gas;

(b) the percentage increase in the prices of petroleum products after the withdrawal of subsidy;

(c) the total external debt resulted due to extending subsidy on petroleum products, till date;

(d) whether the Government have formulated any comprehensive welfare scheme in place of subsidy on petroleum; and

(e) if so, the details thereof?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI JANESHWAR MISHRA) : (a) and (b) The Government have been exploring various options to contain the deficit in the pool account and reduce the subsidy on some of the petroleum products. The extent of reduction in subsidy would depend on various factors like international prices, tariff policy and demand etc.

(c) to (e) The total subsidy on the petroleum products during 1996-97 was around Rs. 18,440 crores and is estimated to be about Rs. 18,660 crores during 1997-98. Subsidy on petroleum products is met from the oil pool

account mechanism. IOC is the canalising agency for import of crude oil and petroleum products in the country. The ceiling of short term foreign currency borrowings for financing the oil imports has been progressively enhanced from USD 1.53 billion upto February, 96 to the present sanctioned limit of USD 3.5 billion. In addition, the corporation has also availed US \$ 200 million 7 years loan for import of oil. The actual level of short term foreign currency borrowing of IOC for import of oil was US \$ 2.04 billion as on 31.3.97.

[English]

Development of Road and Port Infrastructure Facilities

816. **SHRI NARAYAN ATHAWALAY** : Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether under the liberalised Surface Transport Policy, significant private/foreign investment has started flowing for development of road and port infrastructure facilities;

(b) if so, the details thereof including the projects received and cleared so far, State-wise;

(c) the progress achieved on current projects, project-wise and the target date of their completion;

(d) the steps taken to remove the snags while implementing the projects/schemes; and

(e) the steps on the anvil to encourage private sector participation in the transport sector?

THE MINISTER OF SURFACE TRANSPORT (SHRI T.G. VENKATRAMAN) : (a) Yes, Sir.

(b) and (c) Details for both road and port sectors are given in the Statement attached.

(d) No major snags have been experienced in the implementation of road projects so far. There is a Steering group for each BOT road project to resolve the bottlenecks, if any. In both Roads and Ports sectors simplified and transparent guidelines have already been published.

(e) As and when necessary, new steps are taken to encourage private sector participation as a part of continuous process.